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BUSINESS TASK FORCE ON REGULATORY IMPACT

(www.streamline.gov.bc.ca)

Recommendations for A Strategic Review of Existing Regulation and Quarterly Report

AUGUST 2000

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Preface

The regulatory environment plays an important role in the competitiveness and economic prosperity of British Columbia.

The Streamlining Initiative, which was announced in the 1998 provincial budget, is aimed at smarter regulation – both policy and enforcement – and at reducing the cumulative regulatory burden, without compromising the very important public protection objectives of regulation. We want to achieve these objectives at the lowest possible cost.

The Business Task Force on Regulatory Impact plays an important role in the Streamlining Initiative. The Task Force represents business, labour and local government interests, as well as the provincial government, and is appointed by the Minister of Finance and Corporate Relations under the *Regulatory Impact Statement Act*. A list of Task Force members is attached in Appendix A and the Task Force Terms of Reference in Appendix B.

In this report, the Task Force summarizes activity that has taken place since January 2000 and makes recommendations to government for a Strategic Review of Existing Regulation. The recommendations are based on the Task Force's conclusion that such a review must be part of the Streamlining Initiative if it is to be successful.

In making these recommendations, the Task Force has taken into account experience in other jurisdictions, work already underway in British Columbia, and resource requirements. The Task Force urges the government to give the recommendations early attention and consideration.

August 2000

SUMMARY OF STREAMLINING APPROACH AND ACTIVITY SINCE JANUARY 2000

The Task Force carries out its mandate through the following five interconnected avenues or Five Star approach to streamlining:

REGULATORY IMPACT STATEMENTS

A major priority for the Task Force continues to be to promote smarter regulation. The government's *Regulatory Impact Policies and Procedures* require that a Regulatory Impact Statement (RIS) be prepared for major new regulatory policy. The purpose of the RIS is to help ensure that these decisions are informed and transparent. An RIS documents the problem being addressed, the objectives of proposed regulatory policy, possible alternatives and their implications, costs and benefits, including but not limited to business implications, and consultation.

The Task Force gives advice on whether an RIS should be prepared for a particular policy proposal. This advice is based on a review of regulatory plans prepared by ministries and agencies. The plans are updated quarterly. The RIS must be made public when the decision is announced and posted on the streamlining website (www.streamline.gov.bc.ca). As of July 5, 2000, 22 RISs have been made public.

The Task Force believes that ministries and agencies are taking the RIS requirements seriously and commends this commitment. To ensure that the RIS requirements are effective, the Task Force will monitor compliance with the RIS policy, and will review the quality of a sample of RISs in order to make recommendations, as necessary, for changes to the RIS policy and guide. Ministries and agencies will have a chance to make suggestions, based on their experience with the requirements.

CONSULTATION AND STREAMLINING PROPOSALS

The Task Force actively consults with those outside government to get streamlining ideas, and invites suggestions at any time. As of May 8, 2000, proposals can be sent through the website (www.streamline.gov.bc.ca). Suggestions can also be sent to the Minister of Finance and Corporate Relations c/o Room 109, 617 Government Street, Box 9417 Stn. Prov. Gvt., Victoria, British Columbia V8W 9V1.

All suggestions are reviewed by the appropriate agency and by the Task Force, which also reviews the agency response. The government has adopted a reverse onus policy for these suggestions. The suggestion made, or an alternative solution to the problem identified, must be adopted unless there are policy reasons for not doing so. The Task Force looks for concrete problems and proposals where changes can be identified and pursued. For example, the Task Force does not review specific tax policy issues, but welcomes suggestions on how to improve tax administration.

The Task Force has received **661** proposals since June, 1998. Many of these are being pursued as part of a major streamlining project. However, the Task force is monitoring **349** proposals that fall within its mandate and that have been reviewed separately from major projects. As of July 15, 2000, almost half (45 per cent) of these proposals have been implemented and another 34 per cent are still underway. Less than a quarter of the proposals (21 per cent) were not accepted for policy reasons.

The progress of the proposals can be tracked on the streamlining website.

MAJOR STREAMLINING PROJECTS

Based on themes that emerged from streamlining proposals, the Task Force has sponsored or endorsed some 21 major projects addressing key areas. Most of these projects are being done by the ministry or agency responsible for the area. A few projects, such as the Regulatory Administration Review, have government-wide implications, and are being undertaken by the Streamlining Office in the Ministry of Finance and Corporate Relations. Substantial progress has been made on some projects, for example, the liquor policy review and implementation, and the pursuit of one-stop business registration. However, the Task Force notes that significant work remains under other projects and strongly recommends that they be assigned a high priority. The details of each project and its status are attached in Appendix C.

STREAMLINING LEGISLATION

Some streamlining changes require legislation in order to come into effect, and the government has introduced a "streamlined" process for getting minor amendments onto the agenda. To qualify, the amendments must streamline

government operations or cut regulatory compliance costs without compromising the public protection objectives of the regulation. As a result, the legislation may not have broad impact, but the amendments are important to those affected, and collectively, they contribute to streamlining government and improving the regulatory environment.

Bill 12, the ***Regulatory Streamlining Miscellaneous Statutes Amendment Act*** was passed in June this year. It contains a number of amendments that streamline procedures and reduce compliance costs for regulated entities. For example, 10 year range use plans will be allowed for agreement holders with good performance records. Mineral tax calculation and administration for quarry materials has been simplified.

Streamlining legislation that has significant policy implications is subject to regular legislative approval and preparation processes. For example, Bill 26, the ***Agri-Food Choice and Quality Act*** was introduced in June.

Bill 26 completes part of a major streamlining project to consolidate food quality-related legislation and give the agri-food industry more flexibility to determine appropriate quality and production practice standards. The Task Force is very pleased to see this legislation introduced.

REVIEW OF EXISTING REGULATORY FRAMEWORKS

The Task Force mandate includes advising on which existing regulatory frameworks should be reviewed. The remainder of this report addresses this topic. If the recommendations are accepted by the government, the Task Force will make public recommendations for priority areas in the Fall.

RECOMMENDATIONS FOR A STRATEGIC REVIEW OF EXISTING REGULATION[1].

The Task Force mandate includes advising on a review of existing regulatory frameworks and operations in the province to promote the goals of the Streamlining Initiative. By existing regulatory frameworks, the Task Force means the current regulation of:

- a particular industry, such as insurance companies, motor dealers, mining exploration;
- a particular activity or policy area, such as commercial recreational land use, pesticide handling, employment standards, or the building code;
- a particular aspect of a policy area, such statutory holiday pay as part of employment standards regulation, or commercial vehicle licensing provisions that are part of the Municipal Act;
- a particular aspect of the regulation of a particular industry, such as the hours of work provisions as they apply to silviculture, or the licensing requirements for real estate agents; or
- cross-cutting issues that apply, or have been developed under a number of regimes, such as complaint procedures or disclosure requirements.

The purpose of the Streamlining Initiative is to help ensure that the regulatory environment in British Columbia promotes economic prosperity and public protection through regulatory policy and administration that is, and is seen as, necessary, effective and fair through:

- smarter, better designed regulatory policy;
- more balanced, efficient and effective regulatory administration and enforcement; and
- minimizing regulatory impacts and burdens, including managing and reducing the cumulative impact of regulation.

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In this report, the terms "ministries", "regulatory agencies" and "regulatory authorities" are used interchangeably to refer to entities that have responsibility for making, recommending or implementing and enforcing regulatory policy.

On the recommendation of the Business Task Force, the government adopted Regulatory Impact Statement (RIS) requirements in June 1999. These requirements are a critical step towards the goals of the Streamlining Initiative and they provide criteria against which new regulatory policy can be assessed. They are also in line with measures adopted in most Western jurisdictions aiming to improve regulatory quality by ensuring that new regulation is justified and based on analysis of the costs and benefits of alternatives and appropriate public consultation.

However, in addition to imposing new requirements for new regulations, many jurisdictions have also pursued systematic reviews of the quality of existing regulation and, in some instances, of regulatory structures. Nearly one-third of US states have pursued such reviews, generally by requiring each department to prepare and carry out a review plan over some time frame. The same is true of most Australian states.

In Canada, the federal government undertook a comprehensive review in 1992-1993. Each department designed a review and revocation of its regulatory programs, resulting in some 835 revocations and revisions of regulations that were to be made over five years.[2] According to federal reports, the result was the Federal Regulatory Reform Agenda, which became a central element of the Government's Jobs & Growth initiative. In addition to implementing the results of the regulatory reviews, priority was given to improving regulation for selected sectors of the economy.[3] The House of Commons Standing Committee on Finance recently recommended that the federal government establish a Red Tape Commission to examine existing regulations[4].

Alberta began a " 3-year sunset plan" to review all regulations that were on the books prior to January 1, 1996. According to Alberta officials, 330 regulations have since been reviewed, updated and re-enacted individually or in an amalgamated form and 272 regulations have been repealed outright. There are 595 regulations still under, or awaiting, review, and the review deadline has been extended. Quebec recently initiated a similar 7-year review. Saskatchewan has a 10-year review intended to reduce the number of regulations on the books by 25 percent.

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[2] Government of Canada, Privy Council Office. World of Regulation: Historical Overview. http://www.pco-bcp.gc.ca/raoics-srdc/history_e.htm

[3] Government of Canada, Privy Council Office. World of Regulation: Historical Overview. http://www.pco-bcp.gc.ca/raoics-srdc/history_e.htm However, the main focus of the federal policy on regulation is on new regulation.

[4] Challenge for Change: A Study of Cost Recovery. Report of the Standing Committee on Finance, House of Commons, Ottawa, June 2000. The committee made 12 recommendations, most of which deal directly with the federal Treasury Board's 1997 Cost Recovery and Charging Policy. The Committee has asked for a government response in November 2000
http://www.parl.gc.ca/InfocomDoc/36/2/FINA/Studies/Reports/finaO1/07-toc-e.html

A driving force behind these reviews in other jurisdictions has been rapid growth in regulation worldwide over the past several decades, greater complexity and economic interdependence and rapid technological change. Systematic reviews of existing regulation are aimed at concerns that the old regulation may no longer be the best regulation and may impede competitiveness. The public, industry and governments want assurance that existing regulation is still necessary, is the most appropriate alternative, is flexible enough to respond to new situations, and is coordinated, both inter-departmentally and inter-governmentally.

According to the OECD[5], governments that wish to improve regulation must build regulatory management systems, improve the quality of new regulations and upgrade the quality of existing regulations. British Columbia has taken steps in these areas by launching the Streamlining Initiative, including the appointment of the Business Task Force on Regulatory Impact, and by adopting regulatory impact statement requirements for new regulation. There is also considerable effort made to review and upgrade existing regulation. For example, work is underway as part of major streamlining projects being sponsored or endorsed by the Task Force, such as the liquor policy review or the review of contaminated sites regulation. Existing regulation is also reviewed in response to specific streamlining proposals, such as the reduction of milk testing from twice a month to the national standard of once a month, and under other auspices, such as the establishment of the British Columbia Oil and Gas Commission. There is also other review work going on within government that may not be known to the Task Force.

However, the Task Force strongly believes that a strategic review of aspects of existing regulation is a necessary complement to the work already underway. A strategic review of existing regulation would help to restore, maintain and enhance public and industry confidence in British Columbia's regulatory environment

Purpose and Objectives of a Strategic Review of Existing Regulation

The purpose of a strategic review would be to examine existing regulatory frameworks, with the objectives of:

- confirming the necessity, efficiency and effectiveness of the current regulatory policy;
- repealing or replacing outdated regulatory requirements;
- increasing regulatory entity flexibility by, for example, moving from command/control models to performance standards where possible[6];
- reducing paperwork burden;
- reducing impact on small business

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[5] Organization for Economic Co-operation and Development, Regulatory Quality and Public Sector Reform www.oecd.org/subject/regreform/quality/htm, November 1997.

[6] For example, instead of every restaurant employee having to take the government Food Safe Program, equivalent courses of food safety are accepted. This focuses on outcome, rather than one requirement.

- clarifying regulatory requirements (e.g., plain language);
- improving administration and enforcement, including considering alternative regulatory structures and arrangements;
- improving policy and administrative co-ordination among regulatory authorities;

while maintaining or enhancing the public protection purposes of the regulation determined to be necessary.

PRINCIPLES OF A STRATEGIC REVIEW OF EXISTING REGULATION

1. BROAD COVERAGE OF POLICY AND ADMINISTRATION:

   Many jurisdictions restrict reviews to existing regulations made under the equivalent of British Columbia's Regulations Act. [7] This restriction seems consistent with the role of rule-making agencies and legislatures in the United States, and it is the approach adopted by Quebec, Alberta and the federal government in Canada.

   However, the Task Force believes that British Columbia would benefit from a broader approach under which any aspects of legislation, regulations made under the Regulations Act, administrative policy, and enforcement, could be reviewed. These are the main components of any regulatory regime. For example, the regulation of waste management in British Columbia is provided by the ***Waste Management Act*** and its regulations, administrative policies developed by regulators, which explain how regulators interpret legal requirements, and the enforcement of the act and the regulations and implementation of the policies.

   This approach would be consistent with British Columbia's RIS requirements which apply to new regulatory policy, regardless of whether it is to be implemented through legislation, regulations made under the ***Regulations Act***, and to administrative policy. (Regulatory policy as defined in the ***Regulatory Impact Statement Act*** is that which would restrict, constrain or otherwise regulate economic activity in the province.) A broader approach could also help encourage innovative solutions and avoid reliance on repeals or numbers of regulations reviewed as the measures of change that have sometimes been used in other jurisdictions. [8]

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[7] Australia and Australian states are some exceptions. Under a 1995 Competition Principles Agreement, all Australian governments agreed to review and, in the absence of offsetting public benefits, reform legislation that restricts competition by the end of 2000. Australia also requires annual reports on performance against 9 Regulatory Performance Indicators (Rips).

[8] In a review of US State regulatory reform, Robert Hahn reports that Florida repealed close to 10,500 rules as a result of its review, many of which were simply merged. Others that were repealed, he says, were procedural or technical and their repeal did not substantively affect policy or result in change in the

Finally, a broad approach would enable the important aspects of administrative and enforcement issues to be confronted and addressed. Staff from other jurisdictions have indicated that the most frequently cited problems with regulation tend not to be about the law or the regulation itself, but with how it is administered and enforced. This is also true of many streamlining proposals received by the Task Force. For example, the Task Force received suggestions to coordinate PST and GST filing and reporting requirements, or to introduce annual remittances. The review conducted by the Ministry of Finance and Corporate Relations concluded that significant revenue would be foregone by delaying remittance dates, or by implementing annual remittances. However, the compliance burden was reduced to a similar extent by raising the threshold under which quarterly returns can be made from $200 to $700 in monthly tax.

2. STRATEGIC APPROACH

The Task Force is convinced that a review of regulatory frameworks is necessary to ensure the most effective and efficient regulatory environment. However, the Task Force recognizes that comprehensive reviews place substantial demands on both private and public sectors, and do not necessarily result in significant changes in policy or operations. The Task Force believes that a strategic approach would help to ensure useful results and manage the resource demands.

To develop the details of its proposal, the Task Force looked at the main features of reviews underway in other jurisdictions.

1. Deadlines. Reviews in other jurisdictions usually have a deadline of at least three years. (Saskatchewan and Quebec used longer deadlines at 10 and 7 years respectively). However, it is very common for deadlines to have to be extended.

   BTF View: Deadlines can help to provide a framework for the review and a context for assessing progress. However, an overall deadline of say, 5 years, does not suit the strategic approach recommended by the Task Force, or the fact that some reviews will take more time than others. A deadline could also detract from the need for all regulation to be reviewed periodically, not just as part of one-shot program, to ensure continued necessity, effectiveness and efficiency.

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regulatory environment. Hahn concludes that such reviews will not improve efficiency unless there is some oversight to ensure that agencies reduce regulatory burden (*State and Federal Regulatory Reform: A Comparative Analysis*. Working Paper 98-3, AEI-Brookings Joint Center for Regulatory Studies, November 1998).

Instead of an overall deadline, the Task Force believes that one should be assigned to each specific review, and would, therefore, apply to the agency or agencies carrying out that review.

2. Priority-Setting Responsibility. The OECD has recommended that priority for regulatory reviews be given to regulation where change will yield the highest, most visible benefits[9]. In other jurisdictions, the primary responsibility for identifying review schedules and priorities tends to rest with the regulatory authorities. Authorities must publish the schedules and progress reports annually. In some cases, central government guidance is provided on priorities.

   Oregon agencies, for example, are directed to concentrate on rules or portions of rules that have been the source of complaints, concerns or other difficulties related to matters other than the specific mandates of the statutes on which the rules were based. In Australia, consistent with other OECD recommendations, the focus has been on regulation that limits competition, particularly regulation affecting small business.

   In Canada, federal government documents indicate that having each department design its own approach was particularly helpful, encouraging innovation, flexibility and ownership. However, a reported trade-off was that the reviews did not accomplish as much as had been hoped[10].

   BTF View: The Task Force considers that guidance for ministries and agencies is imperative given the strategic approach proposed. The Task Force believes it could play a useful role by giving advice on review priorities to the Minister of Finance and Corporate Relations. The purpose would be to help ensure that priority business concerns receive priority attention, that the resource demands can be managed, and that the reviews are likely to be effective and productive.

   In making its recommendations to government, the Task Force will consider input from outside the government, and whether the best approach to a particular area of regulation would be industry-based, policy-based or ministry-based, or a combined approach. For example, consumer protection legislation might be reviewed across ministries, or the regulation or aspects of regulation, affecting the construction industry might be reviewed, or a particular area of environmental regulation as it applies to all industries, businesses or individuals. The Task Force

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[9] The OECD Report on Regulatory Reform, Summary, 1997. www.oecd.org/subject/regreform/report.htm.

[10] Government of Canada, Privy Council Office. World of Regulation: Historical Overview. http://www.pco-bcp.gc.ca/raoics-srdc/history_e.htm

will also consider whether an area of regulation has been reviewed and the results.

3. Sunset Clauses: Other jurisdictions have imposed sunset review and/or expiry clauses that are connected with the review deadlines to expedite reviews. In Alberta, for example, all regulations enacted before 1996 were given a sunset clause for initial review, and then a sunset clause that applies to the confirmed or amended regulation. A sunset clause would be consistent with British Columbia's *RIS Policies and Procedures* which impose a sunset clause on all new major regulatory policy for which a Regulatory Impact Statement is required to be published. Significant revisions of existing regulation that might result from this strategic review would, therefore, be subject to the RIS requirements and would have a sunset clause.

   BTF View: The Task Force acknowledges the benefit of sunset clauses if the review were focussed on existing regulations under the ***Regulations Act***. However, the Task Force is not persuaded that a sunset clause is necessary to motivate progress for a strategic review that will include legislation, administrative policy and enforcement. In these circumstances, a sunset clause would just add more red tape. Since agencies will be given direction on priorities and timing and held accountable for progress, sunset clauses, particularly since they tend to be extended or over-ridden, would not provide any additional incentive to complete the reviews.

4. Oversight Authority: In other jurisdictions, although the regulatory authorities are responsible for carrying out the review of regulation, some kind of coordinating entity or oversight authority is present.

   In Oregon, for example, agencies must submit reform plans and progress reports to the Governor whose office issues a public summary report. This kind of high level of political support and commitment to the reviews is critical to their success[11]. However, American research also suggests that oversight is not effective unless it includes looking at the impact of regulatory review to ensure there are substantive changes in policy or in the impact on regulated business[12].

   These findings are consistent with the OECD report, which found that in most jurisdictions oversight of regulatory reform is decentralized with varying levels of government-wide quality control[13]. The OECD concludes that "reform will fail if left

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[11] Ibid.

[12] Ibid.

[13] Control and Management of Government Regulation, OECD, February 1998, www.oecd.org/puma/regref/pubs/con95/strat.htm.

entirely up to regulators, but will also fail if it is too centralized. Regulators must take primary responsibility under a system of incentives overseen by central managers".[14]

BTF View: The Task Force believes that the best sources of accountability, oversight and quality control for a strategic review of existing regulation should be public awareness of the reviews, requirements for consultation with stakeholders, and requirements for information to be included in Performance Plans and Annual Reports. However, the Task Force also recognizes the need for a high level of political support and commitment to the reviews, and that there must be, at the very least, coordination at the staff level.

The Minister of Finance and Corporate Relations has responsibility under the *Regulatory Impact Statement Act* for developing and maintaining policy and procedures respecting the preparation of Regulatory Impact Statements. The Streamlining Office in the ministry coordinates and provides support for these policies and procedures[15]. A similar approach should be used, at least initially, for the strategic review of existing regulation.

In other words, the Minister of Finance and Corporation Relations should be responsible for establishing and implementing policies and procedures for the review, with any required staff support to come from the Streamlining Office in the Ministry of Finance and Corporate Relations.

The Task Force will review this critical management issue in particular, once the strategic review of existing regulation is underway.

3. Promote Culture Change

A long-term goal of the Streamlining Initiative, like similar programs elsewhere, is to help promote the culture change required for British Columbia to have better, more accountable regulatory policy decisions and wise enforcement on a long-term basis. The need for, and importance of, the culture change required is not limited to regulatory authorities, but includes those involved in deciding regulatory policy, and regulated entities. For example, the Australia Office of Regulatory Reform reported improved agency compliance with regulatory impact assessment requirements by year two of the Australian program. The improvement was attributed to agencies' becoming

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[14] Ibid. p.3

[15] The Streamlining Office coordinates the cross-government preparation of regulatory plans and supports the Business Task Force and the Minister of Finance and Corporate Relations as they carry out their duties and exercise their powers under the *RIS Policies and Procedures*. The Streamlining Website is the central repository for the Regulatory Impact Statements once they are made public.

convinced, through experience, of the value of regulatory impact analysis in developing proposals and informing the decision-making.

The recognition that experience and culture change are critical success factors is inherent in British Columbia's *Regulatory Impact Statement Policies and Procedures*. The Policy makes regulatory authorities accountable directly to their stakeholders and the public for compliance with the RIS requirements, including the quality of Regulatory Impact Statements. To emphasize this direct accountability, British Columbia does not have a central reviewing body for regulatory impact statements. Instead, as discussed above, the Streamlining Office in the Ministry of Finance and Corporate Relations provides support for the policies and procedures.

BTF View: The Task Force believes that culture change can be promoted by making agencies responsible for carrying out the strategic review and accountable for the results. This is consistent with trends in public management in British Columbia and elsewhere, and should help the streamlining initiative to have long lasting, real impact on the province's regulatory environment. This kind of accountability should also contribute to the public approval necessary for the success of any broad program of regulatory reform.

4. EVALUATION OF THE IMPACT OF A STRATEGIC REVIEW OF EXISTING REGULATION

In other jurisdictions, progress reports are used to document what has gone on in terms of regulatory reviews and reform.

BTF View: As discussed earlier, the Business Task Force recommends that regulatory authorities be required to report on progress in their annual reports. The Task Force would like to emphasize, however, that to be useful, the progress reports, must contain information about any changes that have been made and, to the extent feasible, the impact of those changes for regulated entities, for public protection, and for government operations.

SUMMARY OF RECOMMENDATIONS:

1. British Columbia would benefit from a strategic review of existing regulatory frameworks.

2. There should be a strategic approach to the review of existing regulatory frameworks to ensure that business concerns receive priority attention, to help manage the demand

the reviews will place on public and private sector resources, and to ensure effective results.

3. For the purpose of the Task Force recommendations, regulatory frameworks are defined as all the requirements that are imposed by or under provincial law that regulates economic activity in British Columbia, and the enforcement of these requirements. This includes then, the legislation, regulations, administrative policy and enforcement operations.

   The definition does not include:
   - regulation imposed or enforced solely by a municipality, improvement district or regional district, as defined in the *Municipal Act*, or the City of Vancouver; or
   - decisions made in applying existing regulation to a specific case or a decision to impose or to collect a tax or fee.

This definition is generally consistent with the definition of regulatory policy decisions provided under the *Regulatory Impact Statement Act*.

4. The purpose of a strategic review should be to examine aspects of existing regulatory frameworks, ***in consultation with stakeholders and the public,*** with the objectives of :

   - confirming the necessity, efficiency and effectiveness of the current regulatory policy;
   - repealing or replacing outdated regulatory requirements;
   - increasing regulatory entity flexibility (e.g., moving from command/control models which may impose "one-size fits all" requirements to performance-based standards which specify an outcome, but leave the method up to the individual business);
   - reducing paperwork burden;
   - reducing impact on small business;
   - clarifying regulatory requirements (e.g., plain language);
   - improving administration and enforcement, including considering alternative regulatory structures and arrangements;
   - improving policy and administrative co-ordination among regulatory authorities;

   while maintaining or enhancing the public protection purposes of the regulation determined to be necessary.

5. All regulatory policy and its enforcement should be eligible for review. This would include legislation, regulations, administrative policy and enforcement operations. This scope is consistent the *Regulatory Impact Statement Policies and Procedures*. However, consistent with the strategic approach, priority areas or aspects of policy and its enforcement would be identified for review at one time.

6. Consistent with the minister's role under the *Regulatory Impact Statement Policies and Procedures*, the Minister of Finance and Corporate Relations should give direction to ministries and agencies on review priorities and schedules, based on advice from the Business Task Force on Regulatory Impact.

7. Ministries and agencies should be responsible for carrying out the regulatory reviews and the primary source of accountability for the reviews should be the fact that the public will be aware of the review and there will be requirements for stakeholder participation and progress reports. However, there should be a way to signal the high level of political support and commitment necessary for the reviews to be successful.

8. Consistent with the minister's existing responsibility for establishing *Regulatory Impact Statement Policies and Procedures*, the Minister of Finance and Corporation Relations should establish policies and procedures for a Strategic Review of Existing Regulation. The Streamlining Office should provide support and coordination as it does for the implementation of the RIS Policies and Procedures.

9. Agencies should be required to incorporate any regulatory review plans into their annual performance plans, and to report annually, as part of their annual reports, on progress of the reviews, including the impact of regulatory changes for regulated entities, public protection and government operations.

10. The Task Force should review progress reports and the implementation of the strategic review of existing regulation for the purposes of advising on adjustments to priorities, the schedule or other factors related to the strategic review of existing regulation, including its management within government.

Specific Recommendations for a Strategic Review of Existing Regulation

1. The Minister of Finance and Corporate Relations should establish a Regulatory Review Policy to guide a strategic review of existing regulatory frameworks.

2. The Policy should apply to all regulatory authorities listed in Schedule A of the RIS Policies and Procedures and to all regulatory policy and enforcement, including:
   - legislation
   - regulations
   - administrative policy; and
   - administration and enforcement operations.

3. The Minister of Finance and Corporate Relations should give direction to regulatory authorities on the priorities and timing of the review of aspects of existing regulatory frameworks, based on the advice of the Business Task Force on Regulatory Impact.

4. The Task Force should provide its advice on review priorities and schedules to the Minister of Finance and Corporate Relations based on the following process:

   (a) Business Task Force members to outline possible priorities for the review of existing regulatory frameworks, or aspects of frameworks, taking into account the nature of the streamlining proposals and ideas for improving the regulatory environment they have received from outside of government.
   (b) Regulatory authorities to provide information on:
      - any current reviews already underway for the areas suggested by BTF;
      - the client groups for the priority areas;
      - the feasibility and resource requirements for the areas the suggested by the BTF.
      - any other regulatory frameworks or aspects of frameworks that are the subject of complaints, concerns or difficulties and their nature.
   (c) The BTF will review priorities in light of this information and make final recommendations.

5. Regulatory authorities should review the priority areas of existing regulation to:
   - apply Regulatory Impact Statement requirements to confirm the necessity, efficiency and effectiveness of the existing regulatory policy, including the examination of alternatives to regulation, such as information strategies, and of alternative regulatory approaches. For example, the 1999 Municipal Sewage Regulation replaced a permit system with registration and discharge rules;
   - increase regulatory entity flexibility by, for example, moving away from command/control models to performance-based standards where possible;
   - reduce paperwork burden;
   - reduce impact on small business;
   - clarify regulatory requirements – plain language;
   - improve co-ordination among regulatory agencies and regulatory authorities; and
   - improve administration and enforcement, including examining administrative alternatives (e.g., comparing current administration with an alternative delivery system, such as self-regulation).

6. Regulatory authorities should include in the annual Performance Plans required under the Budget Transparency and Accountability Act (BTAA) information about:
   - the schedule for any regulatory reviews identified as a priority for review under the Policy;
   - how stakeholders will be consulted; and
   - how the impact of the results of the review will be assessed.

7. Regulatory authorities should include in the Annual Reports required by the BTAA, a report on the progress and impacts of any regulatory review being undertaken under the Policy.

8. Based on the information provided in Performance Plans and Annual Reports, the Business Task Force should recommend to the Minister of Finance and Corporate Relations, adjustments to priorities, the schedule, or to the Regulatory Review Policy, including how it should be managed and implemented.

Appendix A.

1999/2000 BUSINESS TASK FORCE ON REGULATORY IMPACT

Honourable Paul Ramsey (Chair)	Minister of Finance and Corporate Relations
Honourable Ian Waddell	Minister of Small Business, Tourism and Culture
Suromitra Sanatani	Vice-President BC and Yukon Canadian Federation of Business
Jock Finlayson	Vice-President, Business Council of B.C.
Steve Thomson	Co-ordinator, Agriculture Council of B.C.
Mark Kingsbury	First Vice-President, Council of Tourism Associations of B.C.
David Vipond	Director, B.C. Government and Service Employees Union
Laurie Kerr	Chair, B.C. Chamber of Commerce
Abigail Fulton	Vice - President, B.C. Construction Association
Roger Miller	Chief Executive Officer, Custom Plastics
Bruce MacNicol	Chief Forester, West Fraser Mills Ltd.
Councillor Lynne Kennedy	Union of British Columbia Municipalities
Lindsay Olson	Vice-President, Pacific Region, Insurance Bureau of Canada
Paul Landry	President, B.C. Trucking Association
Leif Hansen	President, Union of Commercial and Food Workers
Tobi Davidge	Executive Director, Columbia Foundation

Appendix B.

BUSINESS TASK FORCE ON REGULATORY IMPACT TERMS OF REFERENCE

I. STREAMLINING INITIATIVE

MISSION:

To help create a regulatory environment that promotes economic prosperity and public protection through regulatory policy and administration that is seen as necessary, effective and fair.

GOALS:

- Better (smarter) regulatory policy;
- Better (more balanced, efficient and effective) regulatory administration;
- Together minimizing regulatory impacts and burdens, including managing and reducing the cumulative impact of regulation.

II. BUSINESS TASK FORCE ON REGULATORY IMPACT

TERMS OF REFERENCE

The Business Task Force on Regulatory Impact is established by the Minister of Finance and Corporate Relations under section 4 of the Regulatory Impact Statement Act with the following terms of reference:

1. To advise the minister on regulatory policy and administration streamlining and other matters related to reducing the cost of doing business in British Columbia;

2. To advise the minister on which regulatory policy issues should be subject to the Regulatory Impact Statement requirements based on a review of the information provided by regulatory authorities in accordance with the *Regulatory Impact Statement Policies and Procedures.*

3. To advise the minister on a review of existing regulatory frameworks and operations to promote the goals of the Streamlining Initiative.

4. To report Quarterly on progress.

Appendix C.

MAJOR STREAMLINING PROJECTS – STATUS REPORT

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MAJOR STREAMLINING PROJECTS - STATUS REPORT

INTRODUCTION:

Based on themes that have emerged from business consultations, the Task Force has sponsored or endorsed a number of major projects addressing key areas. Most of the projects are undertaken by the ministry or agency responsible for the area. The following is a summary of the projects and their status.

COMPLETED PROJECTS

1. CONSTRUCTION (BUILDERS' LIEN ACT)

Construction projects undertaken by the Ministry of Forests are now exempt from the Builders' Lien Act (BLA).

The Ministry of Forests annually funds and manages approximately $50 million worth of construction and maintenance projects for forest roads and bridges on Crown land. The BLA required a 10% holdback on improvement projects in addition to a 10% holdback already imposed under Ministry of Forests' contracts. The exemption removed duplication and unnecessary administrative and financial burden for the ministry and its contractors and subcontractors.

2. FORESTRY ADMINISTRATION

FOREST ACTION PLAN

All forest businesses benefited from the Forest Action Plan's first element, announced November 1998. Changes at that time boosted the province's value-added and independent wood manufacturing sectors with a new pricing system to make more timber available to them at fair market cost, a revision to the deposit requirement for larger, long-term sales and introduction of streamlined processes to encourage small scale salvaging.

Further Forest Action Plan components to achieve operational efficiencies and improve competitiveness were announced on January 12th, 1999. Changes included:

- refining government utilization standards and stumpage appraisal policy to align more closely with market realities;
- improving planning and "on the ground" work practices between industry and government (e.g. streamlined cutting, road and salvage permits);

- adjusting billing procedures to recognize the seasonal nature of logging in the province (e.g., monthly payment plan to spread stumpage over the course of a year).

Benchmarks were established for the refined government utilization standards and the initial trail period of 6 months has been extended in order for industry to fully realize the benefit of the amendment. The benchmark volumes are currently under review, with industry consultation, to ensure that the intended objectives are being met.

Updates, refinements and streamlining continue in forest revenue administration.

Sustaining Standing Timber Inventory Targets

The Sustaining Standing Timber Inventory initiative was launched in March 1996 to meet industry's request for a greater volume of wood under approved cutting permits. It was to be accomplished within two years. The Ministry, working closely with industry, established targets and streamlined its cutting permit approval process.

Work continues within forest regions and district offices to find ways to sustain the volume of wood approved under permit, while reducing the amount of administrative effort required to maintain or increase target levels identified in licensee agreements.

Overall, at June 30, 1999 the Ministry has achieved 102% success in meeting the mutually determined standing timber inventory targets

3. Unclaimed Intangible Property

In January 1997, the Office of the Comptroller General (OCG) released a discussion paper proposing the repeal and replacement of the existing *Unclaimed Money Act* with comprehensive new legislation regulating unclaimed property. The paper was released in response to the 1993/94 Report of the Auditor General, which recognised that either amendments to the existing Act or new legislation were needed.

Some parties raised concerns about the proposed legislation, and were strongly opposed to it. In May 1998, the Minister of Finance and Corporate Relations reaffirmed the government's commitment to protecting the interests of owners of unclaimed property, but recognized the need to further consult and work with businesses affected by the proposed legislation.

In September 1998, the OCG began a new round of consultation with interested parties, primarily represented by business interests. Although all parties agreed with the goal of the legislation, a fresh approach was needed that would balance the concerns of business with the goal of the legislation. As of result, the scope of the legislation was revised and a new approach was developed that minimized costs to organizations while

still reuniting owners with their property. This approach had wide-based support and was seen as a less intrusive and regulatory approach by government.

A new *Unclaimed Property Act* (to replace the old and ineffective *Unclaimed Money Act)* was enacted in the Spring 1999 session of the Legislature. Two regulations were passed in December 1999, bringing the *Unclaimed Property Act* and

Unclaimed Property Regulation into force in two stages. The first stage repeals the *Unclaimed Money Act*, and brings those sections applicable to government into force effective April 1, 2000. The second stage brings the sections applicable to holders of unclaimed property outside of government into force as of July 1, 2000. A two-stage approach to the effective date of the legislation is intended to provide holders outside of government with the time to develop their approach to the handling of property under the Act. The government will continue to work closely with stakeholders to ensure that the approach to the regulation of unclaimed property is reasonable.

The Act requires a review of the effectiveness of the legislation five years after the coming into force of the Act. This review will determine if the new approach to meeting the goal of the legislation was successful, and identify the costs associated with the obligations imposed on holders of unclaimed property.

4. Agri-Food Choice and Quality Act

The *Agri-Food Choice and Quality Act* is intended to enhance the agri-food industry's ability to establish quality assurance programs for British Columbia agri-food products.

The new statute consolidates existing food quality-related legislation, and gives the agri-food industry greater flexibility in determining what quality or production practice standards are appropriate and will assist in the marketing of British Columbia agri-food products. The legislation provides a role for government auditing of industry programs where necessary to meet trade obligations or assure consumer confidence. Bill 86, the Agri-Food Quality and Choice Act was introduced in the Legislature in June 2000.

SUBSTANTIALLY COMPLETE PROJECTS OR COMPONENTS WHICH BTF WILL CONTINUE TO MONITOR

5. REGULATORY IMPACT STATEMENT REQUIREMENTS

The Regulatory Impact Statement Act and related policies and procedures have been in force since June 1999. The purpose of the new requirements is to promote informed and accountable decision making through the preparation and publication of Regulatory Impact Statements for major new regulatory policy. The requirements apply to legislation, regulations made under the Regulations Act and administrative policy.

The Business Task Force on Regulatory Impact advises the Minister of Finance and Corporate Relations on which regulatory proposals should be subject to the RIS requirements. The recommendations are based on the Task Force's review of Regulatory Plans prepared by ministries and agencies with authority to make or recommend regulatory policy.

Regulatory Impact Statements must be posted on, or linked to, the Streamlining Website **www.streamline.gov.bc.ca**. More information about the requirements is also available on the website.

BTF Response

The BTF will continue to monitor the implementation of the Regulatory Impact Statement Policies and Procedures and will review the quality of a sample of Regulatory Impact Statements prepared in 2000 as a basis for making recommendations for amendments to the policy or content guide.

6. CONSTRUCTION INDUSTRY REQUEST FOR A COMMISSIONER FOR TAKING AFFIDAVITS.

Background: Construction industry representatives raised concern over the growing burden associated with filing statutory declarations, particularly those pertaining to construction contracts and the *Skills Development and Fair Wage Act*. Under section 56 of the *Evidence Act* (EA), the Attorney General is empowered to make appointments where lawyers or notaries public are not readily accessible or as a convenience to the public. In its update to the Business Task Force on February 5, 1999, the MEI recommended establishing a Commissioner for Taking Affidavits on behalf of the construction industry. The Business Task Force supported this recommendation.

Status: The final application from the Chief Executive Officers of BC's four construction associations was received by the Ministry of Attorney General the last week of June 2000 for appointment as Commissioner for Taking Affidavits. The four applications for appointment as Commissioner for Taking Affidavits are to be processed together.

The Ministry of Employment and Investment (MEI) will monitor the impact of these appointments. MEI will pay particular attention to whether the appointments are meeting the needs of British Columbia's small, rural communities. It is suggested that MEI report back to the Business Task Force this fall.

BTF Response

The BTF looks forward to the successful conclusion of these applications for appointment as Commissioner for Taking Affidavits and to Ministry of Employment and Investment's report respecting the needs of small, rural communities.

7. Consumption Tax Administration (CTB21)

The Consumer Taxation Branch administers five British Columbia consumption tax statutes: the *Social Service Tax Act*, the *Hotel Room Tax Act*, the *Motor Fuel Tax Act*, the *Tobacco Tax Act*, and the *Horse Racing Tax Act*. Nearly $5 billion in tax is collected under these statutes each year to fund a wide variety of public programs and initiatives. The Consumer Taxation Branch is charged with administering these statutes in a manner that is fair, consistent, and efficient. The current branch information systems were designed in the 1970s when computer technology was limited. The goals of the CTB 21 Project are to:

- provide improved service levels to the vendor and taxpayer community;
- develop a modern, effective integrated tax administration system that will facilitate more efficient audit, revenue collection, and account administration.

CTB21 Project

The new system will be **integrated** across all five taxation statutes and will:

- provide flexibility to allow new initiatives in electronic commerce to be added easily, as required, to improve tax information distribution and vendor remittance convenience, as such technologies become more widely used by business;
- enable development of **customized account processes**, as desirable. For example, the system could provide tax application and account information using the method requested by the vendor, be it paper, fax, or e-mail;

- **one single business number** could be used. This would allow for integration of tax account and other information, and would provide seamless, integrated contact with the Consumer Taxation Branch, reducing duplication of requests and administrative burden for both government and the taxpayer; and
- ultimately incorporate many **requests** from the business community for the reduction and simplification of forms, filing requirements, and similar processes.

PROJECT STATUS (APRIL 2000):

The CTB21 Project is on schedule. The final phase of the project, designing, building, and implementing the new system, began in January 1999 and is scheduled to be completed by December 2000 as follows:

- The new registration system was implemented on April 11 and forms the basis for enhanced vendor service and provides full integration with the new returns and payments processing systems.
- The hotel tax returns and payments are scheduled to be processed in the new system beginning May 1.
- The social service tax returns and payments will follow on June 1.
- The new web-based registration system is also scheduled for June and will allow new vendors to register over the Internet.
- The third major release will occur in the fall and will include the new systems for IFTA and other motor fuel business areas as well as the tobacco tax business area.

RELATED INITIATIVES

The Web Site Enhancement Project:

- Increased information with links to other government sites;
- On-line information packages covering a variety of key issues, such as "Starting a New Business";
- Subscription service: users may subscribe, free of charge, to an update service that will notify them when any new information is added;
- Effective June 2000, new businesses will be able to register as a vendor (social service tax) or as an operator (hotel tax) over the Internet. This will make registration easier and faster.

Consumption Tax Advisory Committee (Ongoing): The committee has approximately 20 members representing provincial business and taxpayer associations as well as government and has met three times so far. The Committee provides:

- a vehicle for commenting on changes related to the CTB21 Project to ensure that the anticipated benefits are maximized; and
- a forum for businesses and taxpayers to make suggestions as to how red tape can be reduced with respect to all programs and activities administered by the Consumer Taxation Branch.

BTF Response

The Business Task Force commends the Consumer Taxation Branch for the substantial progress made on the CTB21 Project, including website enhancement and the establishment of the Consumer Tax Advisory Committee.

8. Crown Land Administration

In April 1998, BC Lands faced a backlog of 3,293 pending applications for new land tenures and renewal. As of March 31, 2000, 3,666 offers have been made (applications approved), 433 applicants were disallowed, and the number of pending applications has been reduced to 1,854. During that period, 3,118 new applications were received. This work was accomplished with the assistance of a team of temporary staff, some of whom remain on the job. Priority was assigned to applications that will generate jobs and investment, without ignoring others.

In October 1998, the lands tenure function was transferred from the Ministry of Environment, Lands and Parks (MELP) to the government-owned British Columbia Assets and Land Corporation (BCAL). Since that restructuring, BCAL has introduced a number of innovations designed to streamline the tenure process and make it more responsive to the requirements of business proponents. These measures include:

- Simplification of the application process for enlarged (and new) shellfish operations by creating a "one stop shopping" window in Nanaimo. Prior requirements were cumbersome – requiring applicants to deal with several different government agencies.
- Establishment of a team of ski industry specialists to provide continuity and specialized knowledge to applicants from the ski industry.
- Creation of an inventory of Crown land that has been pre-cleared of several regulatory requirements. Properties in the inventory have gone through the referral process (and often additional steps such as zoning) so that the requirements of agencies, such as the Ministry of Environment, Lands and Parks, local government and First Nations, have been met. This reduces both the degree of uncertainty and the turnaround time for applicants interested in establishing a tenure on this land.
- Assignment of a single regional office to oversee the devolution of ports and harbours from the Federal government.
- Assignment of staff to clearing a backlog of oil and gas related tenures (to assist the newly formed Oil and Gas Commission).

- Fast tracking of the sale of filled foreshore through the approved use of the *Ministry of Lands, Parks and Housing Act.* Establishment of specialized teams to deal with the commercial recreation program and the aggregate program on a priority basis.
- Undertaking program-based land use plans which identify areas where specific uses may be approved without the need for the time consuming referral process (e.g., shellfish, some commercial recreation opportunities, recreational cottage lots).
- A review of BCAL's application process has been contracted to identify ways to streamline and remove hurdles to efficient decision making.

The Ministry of Community Development, Cooperatives & Volunteers is working in collaboration with other ministries to identify a package of initiatives that can provide Crown resources and Crown tenures in support of community diversification to be delivered in an expedited manner through the Community Enterprise program.

BTF Response

The Task Force recognizes the progress being made and has asked for a report on the application process and program-based land use plans for its October meeting.

9. FORESTRY ADMINISTRATION

Efficiency Initiative

The objectives of this initiative are to create a working environment within which timber extraction, forest management and environmental objectives are balanced in the most effective way possible. This will reduce delivered wood costs and government administration while maintaining environmental and forest management principles.

All regions, districts and key branches have identified opportunities for efficiencies in the area of timber pricing and appraisal processes, operational planning, engineering, general administration and forest practices in conjunction with industry and government partners.

Over 800 issues were identified through the initiative. All of the issues raised have received attention with over 80 percent having been resolved. At least 65 percent of the resolved issues resulted in changes, which yielded business process improvement and cost efficiencies. The majority of the other resolved issues required only clarification of the existing regulatory structure to have the required outcome.

Work is ongoing to complete the remaining reviews within the next few months though final resolution, in some cases, will require legislative or regulatory change. The anticipated industry cost and government administration reduction is occurring without jeopardizing environmental and forest management principles. It is expected that completion of the initiative will continue to yield positive results for the industry and agencies involved as will the resultant culture shift to continuous business improvement.

Ministry of Forests Legislation

In 1999 the Ministry of Forests passed streamlining legislation for the:

- *Range Act: to* facilitate the issuance of agreements, make the transfer process more efficient and enable agreement holders to better take advantage of favourable growing conditions.
- *Forest Act*: amendments reduce workloads for woodlot licence holders by extending the term of the woodlot licence and simplify timber mark administration by providing for a single mark to apply for harvesting relating to linear projects such as power lines.
- *Forest Practices Code of British Columbia Act*: amendments allow pilot projects to be established to test forest management methods that focus on results rather than rules.

The Ministry of Forest continues to explore options to simply and improve its legislation and to reduce costs, while maintaining environmental standards. Legislation is planned for introduction in 2000 to further these goals.

BTF Response

The Task Force supports the Ministry of Forest's work to improve efficiency and encourages the ministry to continue working with industry and other interested parties.

10. Environmental Assessment Projects

At the January 2000 meeting of the BTF, the Environmental Assessment Office (EAO) presented the results of two studies undertaken at the request of the BTF to address concerns with the complexity of British Columbia's environmental assessment (EA) process:

1. Comparison of EA processes in selected jurisdictions: commissioned to determine whether similar processes elsewhere are less time consuming or less complicated than British Columbia's process.

   The main finding of the comparative analysis study was that none of the North American jurisdictions studied has an inherently more efficient process than British Columbia. However, British Columbia's process is more complex as a result of the federal-provincial interface and the need to address First Nations issues. In addition, the report identified some aspects of the BC process that may lead to a tendency, both in design and application, to further complicate potentially complex issues.

2. Interministry study on improving coordination between EA and permit review processes: undertaken to reduce the risk of duplication, inconsistency and overlap between various provincial approval processes. The EAO and provincial agencies are committed to easing the shift between EA and permit reviews to minimize these risks and continue the co-ordinated review initiated during the EA through to issuance of post-EA permit-level approvals.

   The EA-permit coordination study identified a number of government processes and structures that could be improved to provide better coordination. The following specific mechanisms are now in place to better coordinate the two levels of reviews and ensure that proponent, reviewer and public efforts regarding the various approval processes are integrated and coordinated both during and after an EA review.

   A. <u>During the EA review</u> - The EAO is responsible for leading thorough, timely and integrated project assessments. This responsibility extends to ensuring that information and consultation requirements for all necessary permit approvals are identified and carried out, to the greatest extent possible, with those of the EA process. During the EA process, EAO initiates mechanisms for integrating and coordinating the information and consultation requirements of the various permit approval processes. These mechanisms include compiling a summary of permit requirements and review details during the EA process, and coordination, to the greatest extent possible, of EA and permit First Nations and public consultation.

   B. <u>Following EA approval</u> - The EAO has accepted responsibility for establishing post-certification mechanisms that link with the EA review and ensure thorough, timely and integrated permit reviews. This responsibility extends to ensuring that a one-window government contact is designated following EA-level project approval, that an immediate post-certification meeting is held with key project

committee members and permitting authorities, that a permit review coordination mechanism is established, and that monitoring and compliance is coordinated. The primary government contact and the EAO project committee Chair work together to confirm responsibility, as appropriate, for coordination of project monitoring, reporting and auditing, and coordination of bonding/security requirements.

The results of the two studies have been considered in light of similar recommendations made in the 1997 evaluation of the EA process (the Sadler Report). In addition to the improved linkage between the EA and permit reviews, the following initiatives have been implemented or are underway to respond to the concerns and recommendations arising from the various studies:

- amendments to the thresholds for triggering an environmental assessment review of proposed projects;
- enhanced proponent guidance on review requirements and effective public consultation;
- increased efforts by the EAO to work with proponents and agencies at the pre-application stage and during a project review;
- increased guidance on project committee operations and member accountability; and
- improved First Nations participation.

Improvements to implementation of the EA process have resulted in better client service, improved process delivery and certainty, stronger leadership during reviews, and improvements in standardizing review information requirements. EAO's remaining response to the evaluation recommendations, to be initiated shortly, include:

- development of EA process training;
- increased emphasis on monitoring/evaluation of project impacts; and
- confirmation of requirements for reporting on compliance with approvals.

BTF Response

The Task Force commends the Environmental Assessment Office for undertaking these studies and for its efforts to act on the results. The Task Force encourages the EAO to continue to improve the implementation of British Columbia's EA process and looks forward to additional progress reports.

11. LOCAL GOVERNMENT STREAMLINING

Local Government /Business Issues: Commitments were made to (1) pursue specific local government/business streamlining initiatives and (2) host a forum with local government for the exchange of ideas.

New local government business licensing and regulation provisions were enacted as part of Bill 88, *Local Government Statutes Amendment Act, 1999,* creating a more rational approach to business licensing.

The Ministry of Municipal Affairs hosted a Business forum on June 9, 1999, with selected business and local government leaders to discuss ways in which business and local governments could work together. The Union of British Columbia Municipalities indicated that they would be pursuing further dialogue with the business community. On September 30, 1999, the UBCM signed a Memorandum of Understanding with the BC Business Summit to work together on economic development.

Local Building Regulations: In December 1998, the revised *BC Building Code* was brought into force province-wide (until then many rural areas were exempt) to create greater certainty for builders and property owners. The Ministry of Municipal Affairs is continuing to work with the Ministry of Social Development and Economic Security on uniformity and variation in local building regulations. Further research is required before government will be in a position to propose remedial action in the area of code uniformity.

BTF Response

The Task Force supports this project, which emphasizes the importance of streamlining at the local government level. The Task Force has asked the UBCM for information on the dialogue with the business community that task force members could include in newsletters to their associations.

12. ONE-STOP SHOPPING (BC CONNECTS)

BC BUSINESS CONNECTS

A. INTEGRATED SERVICE PROJECT

The Ministry of Small Business, Tourism and Culture (SBTC) is leading a pilot project in Victoria to provide one-stop integrated service delivery. The pilot project, called Victoria Connects, was announced October 1999 and is now open for business. It provides a technology-based gateway to business and government services in one location. Victoria Connects was developed in partnership with the federal government, the Greater Victoria Economic Development Commission (representing all municipalities in the Capital Regional District) and SBTC.

B. ONE STOP BUSINESS REGISTRATION PLUS

SBTC has completed the re-design of *OneStop Plus* -- the first component of BC Business Connects -- that will update the "web browser" and lay the groundwork for enhanced service delivery on the Internet.

SBTC is in the final stages of implementation which includes incorporating municipal business licences for 18 municipalities and the integration of credit card payments on OneStop sites.

C. EXPAND ONE-STOP BUSINESS REGISTRATION (ONESTOP)

The Ministry of Small Business, Tourism and Culture has expanded OneStop from 39 sites in July 1999, to over 60 OneStop sites in service as of July 1, 2000.

D. REGIONALIZATION OF CANADA / BC BUSINESS SERVICE CENTRES

The *Regional Access and Community Help* (REACH) program will deliver more than 6,000 pages of current business information throughout BC. As of May 1, 2000, 37 sites have been opened throughout British Columbia. Expansion will follow based upon the findings and recommendations of the recently completed program evaluation.

BC CONNECTS

SBTC has added a citizen-centred delivery component to the scope of the BC Business Connects concept. The project is now referred to as *BC Connects*. SBTC initiated the development of a conceptual framework document to serve as a discussion paper for

stakeholder consultation, information system design and implementation plan development.

The federal and provincial governments have agreed to pursue a co-operative, cross-departmental approach to enhance *access to governmental information and services* in rural communities. Pilot projects that will cluster information in ways that make sense to citizens who need the information are currently under development in selected BC rural communities. The cross-departmental and intergovernmental partnerships will provide better integration of information on programs and services.

BTF Response

The Task Force supports this project and will continue to monitor its status.

13. LIQUOR POLICY REVIEW

- On July 15, 1999, the Liquor Statutes Amendment Act (Bill 80) which provides legislative authority to implement the 130 recommendations of the Surich Liquor Policy Review received Royal Assent.

- Implementation of the 130 recommendations, as recommended in the report, will be phased in over three to four years.

- Concurrent with announcing that it was accepting the final report, government appointed a broad based advisory panel to review draft regulations and provide advice on whether they are consistent with the recommendations of the Liquor Policy Review.

- A working group of local government staff from rural, urban and high tourist areas was established by the LCLB, through the Union of BC Municipalities, to facilitate development and drafting of regulations relative to an enhanced role for local government in licensing matters.

- The objectives of the recommendations are to:
  - Reduce red tape and bureaucratic delays
  - Provide a strong focus on safe and responsible liquor service
  - Strengthen local involvement in liquor licensing decisions
  - Promote B.C.'s tourism and hospitality industry
  - Regulate liquor service in an efficient and effective manner

Completed Recommendations:

Work on implementing the recommendations is well underway. Of the 130 recommendations accepted by government, 43 have been completed, and a further 35 are underway. These include:

- Royal Assent to 60+ enabling amendments to the *Liquor Control and Licensing Act;*
- Reduced regulation in a wide range of areas including Sunday hours, televisions in restaurants, ownership policies for neighbourhood and marine pubs, alternate uses for hotels lounges, and glassware;
- Deregulation of advertising and adoption of federal standards;
- A new licensing and regulatory scheme for Ubrew and Uvin businesses;
- Restrictions on the sale of rice alcohol and other non-beverage products containing alcohol;
- Enabling large licensed stadiums and other community facilities to be more viable with some exemption to the 'tied house' limitations; and
- Completion of an Information Management Plan, as part of the Information Technology Infrastructure Project, and identification of 19 projects, six of which are high priority and required to implement the recommendations;
- Wineries may extend serving hours to midnight, will now require only one licence for all activities, and may apply for endorsements to establish restaurants onsite, charge for samples, sell wine by the bottle or glass, and operate licensed picnic areas;
- Establishments licensed for off-premise sales may sell wine
- Golf courses with Class A liquor licences may serve alcohol from mobile carts

Recommendations in Progress:

Work is progressing on the following regulations in anticipation of being presented to government later this year:

- Changes to liquor licensing regulations for restaurants to enable a limited number of drinking seats in a restaurant, and provisions which would enable some members of a group to drink without purchasing food;
- Regulatory changes necessary to allow existing straight drinking establishments to increase their patron capacity (to the lesser of the building occupancy or the current limit plus 50 percent), with input from local government; and
- Implementation of a number of compliance and enforcement initiatives designed to improve the effectiveness of enforcement measures. These include proclamation of sections of Bill 80 with respect to the Liquor Appeal Board, appointment of a dedicated enforcement hearing adjudicator, regulations setting out a penalty schedule and written policies and procedures for inspectors regarding enforcement of dining establishment regulations.

Components Still Under Development:

- Development of a new licence scheme for service of liquor by the glass comprised of two licence classes (food primary and liquor primary);
- Development of an expanded role for local government in approving new licences and renewals;
- Establishment of a single licensing process, with increased complexity based on significant implications (hours, capacity, and entertainment).

All policy -related projects include consultation with industry. Draft regulations are being reviewed with stakeholders during numerous consultation sessions and are being reviewed by the LPR Implementation Advisory Panel prior to presentation to Government. The Advisory Panel is responsible for advising government on whether or not the regulations are consistent with the Report and for providing advice on any unforeseen issues that may arise during the implementation phases.

LIQUOR DISTRIBUTION BRANCH REPORT

POLICY REVIEW RECOMMENDATION	STATUS
▪ Allow cold beer and wine stores to sell fortified wines.	Completed August 1999.
▪ Allow credit cards to be accepted in LDB stores.	Completed October 1999.
▪ New pricing methodology for cottage brewery products.	Completed May 1999.
▪ Extend agency appointments to five year terms	Completed April 1999.
▪ Clarify the relocation rules and fine tune the reporting requirements for independent wine stores.	Completed May/June 1999.
▪ Open LDB stores on Sundays and statutory holidays after consultation with industry, affected municipalities and other stakeholders.	Legislative changes made in July 1999. Consultations on implementation on-going.
▪ Harmonize reporting for BC manufacturers.	Discussion with the Liquor Control and Licensing Branch on-going.
▪ Distribution of craft brewery products.	Not implemented due to lack of industry consensus.

BTF Response

The BTF is pleased with the progress on this major project and considers it to be well underway. The Task Force will continue to monitor implementation.

14. FOOD SAFETY AND FOOD QUALITY

Food Safety

The Food Safety Act is being developed to modernize and consolidate Ministry of Health's legislative mandates for food safety into a single, generic "food safety" statute:

"Initially this will include food safety provisions under the milk industry and meat inspection acts. Once this is completed other food safety provisions under the Health Act and Fish Inspection Act could also be transferred under the new Act..."

The new statute will enable government to reduce the regulatory burden on industry by moving to outcome based regulations, to harmonize provincial legislation with other provincial and federal standards, and to deal more effectively with food safety responsibilities and initiatives.

For industry, the legislation will provide greater flexibility in meeting food safety standards and will reduce overlaps in inspection. The legislation will also enable smaller processors to move to higher standards by utilizing new techniques or technology without necessarily incurring high capital costs.

Consultations with the agri-food industry on the food safety proposal will be taking place throughout Autumn 1999 and Spring 2000, with a view toward introducing legislation in the 2000 or 2001 legislative session.

BTF Response

The Task Force supports this initiative and encourages the government to continue the consultation and to introduce the planned Food Safety legislation at the earliest opportunity.

15. PAYMENT TIMELINESS REVIEW

The Business Task Force received several complaints about the timeliness of government payments for goods and services received, especially by small businesses. There is a government policy that payments should be made within 30 days of the receipt of the goods or service or receipt of the invoice and that interest should e paid after 60 days. The Business Task Force recommended that government agencies be reminded of the policy, and that the timeliness of payments be monitored and reported to the government agencies and the Business Task Force.

PROJECT STATUS

Ministries and agencies continue to improve efforts to ensure prompt payments within government policy. As previously reported the average payments made within 30 days has improved from 83% in fiscal 1999 to 88% in fiscal 2000. The averages for fiscal 2000 are outlined within the attached table and graph.

BTF Response

The Task Force is pleased with progress made, and encourages ministries to maintain and continue to improve payment timeliness. The Task Force will continue to receive quarterly reports on payment timeliness.

Ministry/Agency	Percent Paid Within 30 Days*							Percent Paid Within 60 Days*						
	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00
CAS-Online Ministries														
Auditor General	93	100	100	97	90	95	98	100	100	100	100	100	100	100
Env. Assess. & Land Use Coord. Office	74	73	77	71	62	81	82	95	96	97	96	88	96	93
Finance & Corp. Relations	78	85	87	84	84	87	93	97	97	97	98	97	96	99
Office of the Premier	75	84	87	86	90	90	97	91	96	96	97	97	95	99
Forest Practices	97	95	95	96	97	94	98	100	100	99	99	99	99	100
Health	99	100	99	99	94	99	99	100	100	100	100	100	100	100
Social Development & Economic Security	97	99	93	84	94	98	99	100	100	100	100	99	100	100
Information & Privacy Commissioner	95	100	87	100	100	97	98	100	100	100	100	100	97	100
ITSD	76	66	68	68	74	77	70	96	93	94	92	93	93	84
OCG/Prov. Treasury/Payroll Clients	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Ombudsman	100	99	97	94	95	98	100	100	100	100	100	100	100	100
Royal BC Museum	99	98	100	94	97	100	97	100	99	100	99	100	100	100
Vital Statistics	96	99	100	99	96	96	99	100	100	100	100	99	97	100
CGI Ministries														
Aboriginal Affairs	71	92	90	87	80	86	N/A	93	97	98	99	99	98	N/A
Advanced Education, Training & Tech.	93	92	86	86	87	91	N/A	99	98	97	98	98	98	N/A
Education	78	85	79	67	66	81	N/A	94	95	96	94	90	92	N/A
Employment & Investment	84	81	81	79	70	83	N/A	98	98	97	94	97	96	N/A
Energy & Mines	86	87	89	88	76	84	N/A	98	98	99	99	98	99	N/A
Comm. Dev., Co-operatives & Volunteers	94	86	73	78	62	74	N/A	100	100	95	95	91	88	N/A
Environment, Lands & Parks	96	98	100	99	93	96	N/A	100	100	100	100	100	100	N/A
Industry Training & Apprenticeship	82	97	65	71	52	91	N/A	94	100	95	94	81	96	N/A
Labour	77	75	70	59	84	80	N/A	97	99	98	95	98	92	N/A
BC Liquor Distribution Fund	92	91	91	91	91	93	N/A	100	100	100	100	100	100	N/A
CAS-Oracle Ministries														
Agriculture & Food	79	79	92	89	86	91	85	97	97	99	98	99	97	98
Attorney General	74	80	81	67	70	81	65	96	97	97	96	96	95	96
BC Asset & Lands	87	97	98	99	96	98	100	93	99	99	100	98	99	100
Children & Families	88	87	95	97	94	97	98	100	100	99	99	99	100	100
Fisheries	77	81	86	91	74	87	82	96	96	96	99	99	97	96
Forests	82	84	84	86	73	87	91	96	98	97	98	95	97	98
Municipal Affairs	87	84	90	85	86	N/A	N/A	99	100	97	99	99	N/A	N/A
Small Business & Culture	100	97	100	95	93	96	97	100	100	100	99	99	99	100
Transportation & Highways	87	85	87	92	85	94	94	97	97	98	99	98	99	98
Women's Equality	99	97	98	99	98	96	98	100	99	99	100	100	100	99

PROJECTS STILL UNDER DEVELOPMENT

16. ELECTRONIC SERVICE DELIVERY

In May 2000, the Government launched *InfoSmart*, its strategic plan to ensure that information technology is used to deliver government services more conveniently, to better protect personal information, and to make government programs more efficient. The framework represents a whole new approach to serving the public. Citizens will be able to access more government information, programs and services in a manner that meets their individual needs – 24 hours a day, seven days a week.

Central to the vision of *InfoSmart* is that government will not limit itself to being an over-the-counter service provider. It will also become an electronic service provider able to deliver an increasing number of services any time, any way the user wants. To implement the objectives of *InfoSmart*, government will concentrate on four strategic areas: government-wide information management, common information technology (IT) infrastructure, electronic service delivery (ESD) and IT staff resources.

With respect to ESD, the public has a growing interest in conducting business with government electronically. The Business Task Force on Regulatory Impact has recommended government develop a strategy to guide and encourage ministry efforts in this rapidly emerging area. Therefore, action is being taken on several fronts:

LEGISLATIVE/POLICY FRAMEWORK

Work is being done on legislation that would provide the same legal status to electronic information and records and digital signatures as the more traditional paper records and hand-written signatures. Legislation to protect personal privacy in the private sector is also being considered. In addition, policies and standards required to promote or enable ESD are being developed (for example, policies regarding publishing government e-mail addresses on the internet and defining a public key infrastructure for government).

INFOSMART PROJECT OFFICE

A project office within the Information, Science and Technology Agency has been established to coordinate the implementation of the InfoSmart strategy. The role of the office is to compile an inventory of current and proposed ministry projects

that support the objectives of InfoSmart. Action plans will be prepared for each project and delivered by ministries. The office will also identify any new "shared service" applications that could be hosted by one ministry of provided as a common service. Quarterly reports will be issued on the status of ESD initiatives in ministries and a web site to inform the public of progress will be maintained.

MINISTRY INITIATIVES

Individual ministries are responsible for developing and implementing ESD projects and there are many initiatives underway. They have the common purposes of making access to government simpler and more convenient; increasing responsiveness and efficiency; and reducing delays. Examples are the One Stop business Registration service, electronic registration of land titles in the Ministry of Attorney General, and electronic invoicing and payments in the Ministry of Finance and Corporate Relations.

BTF Response

The Task force supports the promotion of electronic service delivery in government and of any activity that will facilitate electronic commerce in the provincial sector. The quarterly reports on ESD should provide useful information on progress in this area. The Task Force also supports the introduction of legislation enabling the use of electronic transactions. The Task Force has asked for information on legislation proposed in British Columbia regarding private sector protection of personal privacy.

17. ENVIRONMENT

UPDATE ON DEVELOPING NEW POLLUTION PREVENTION REGULATIONS

The Ministry is working with a multistakeholder advisory committee to provide the Minister with recommendations on how P2 should be implemented. The committee's report is expected by December 1, 2000.

Work on depermitting regulations continues. The new Municipal Sewage Regulation came into effect on July 15, 1999. It is expected that other performance based industry depermitting regulations will be developed within the next 12 to 15 months.

Update on the Review of the Contaminated Sites Regulation

The second stage comprehensive Contaminated Sites Regulation review and amendment is now underway. As part of the regulation review process, the Contaminated Sites Implementation Committee created 12 subcommittees to address specific issues. The following lists the key issues for each subcommittee:

- Timelines for ministry review of reports
- Fees
- Independent remediation
- Contaminated soil relocation agreements
- Blood lead
- Brownfield sites
- Certificates of Compliance
- Financial security
- Local government issues
- Allocation panels
- Ministry issues

The target date for completion of the review is December 2000.

BTF Response

The Task Force supports the project.

18. Highways Development Approval Process Review

This project has been underway since June 1998, and the Ministry of Transportation and Highways is continuing to actively work with stakeholders to seek advice on streamlining the development approvals process. Phase one of the review included a questionnaire for associations, ministries and selected development approval applicants. Phase two of the review will include focus group sessions conducted with:

- Rural/regional developers;
- Urban/lower mainland/island developers;
- Agencies; and,
- Provincial approving officers and ministry staff.

The completed consultation process will result in recommendations for policy and/or process changes to streamline the development approvals process.

PROJECT STATUS/TIMING:

- Focus group session with rural/regional developers - March 27, 2000
- Focus group session with urban developers - April 20, 2000
- Focus group session with provincial approving officers and ministry staff - May 10, 2000
- Focus group session with the Planning Institute of BC - May 10, 2000
- Focus group session with government agencies - May 15, 2000
- Recommendations developed - June, 2000
- Recommendations vetted internally by ministry staff and Executive - July, 2000
- Decision regarding the requirement for further consultation on the recommendations - August, 2000

BTF Response

The BTF supports this project and encourages the Ministry of Transportation and Highways to expedite progress.

19. REGULATORY ADMINISTRATION REVIEW

PROJECT OBJECTIVES:

- improve regulatory efficiency and effectiveness;
- streamline regulatory administration and enforcement in government departments, independent agencies, self-regulatory organizations, and administrative tribunals;
- reduce administration and compliance costs while maintaining or improving compliance and hence, public protection.

PROJECT COMPONENTS:

- develop generic principles of operations for regulators and administrative tribunals that are consistent with outcome or performance based operations and can be adapted to specific mandates;
- pilot streamlining projects such as increased collaboration and co-ordination among agencies, shared resources, and responsive regulation that targets compliance; and
- identify and develop training opportunities for regulators to assist them in carrying out their duties effectively and efficiently.

PROJECT PRINCIPLES:

As in all jurisdictions, BC's regulatory agencies and administrative tribunals are generally established to respond to specific circumstances. As a result, there are diverse mandates, structures and operations. Some diversity is a necessary result of policy objectives and circumstances; some diversity may not be essential and may hinder co-ordination and efficiency. The following principles are being applied in carrying out this project:

1. Entities that are granted legal authority to exercise power over individuals and activities share some common issues and principles of operation;
2. Greater consistency in some key principles and operations of regulatory agencies and administrative tribunals would contribute to efficiency and effectiveness;
3. Necessary diversity should be protected and the principle of independence in regulatory and tribunal decision-making must be protected;
4. Agency initiatives that are already underway or contemplated should be recognized and built upon, not duplicated.
5. People on the front lines should have an avenue for contributing streamlining ideas and information.

PROJECT STATUS:

- A searchable Directory of Regulators and Administrative Tribunals is part of the Streamlining Initiative Web-site **www.streamline.gov.bc.ca** and can also be accessed from the government home page.
- Draft Principles of Regulatory and Administrative Tribunal Operations will be finalized with further input from regulators and tribunals at a workshop planned for early Fall 2000.
- Survey results indicate several areas, such as case management and shared services, that could serve as a basis for training, a regulators' conference or could yield pilot projects.

BTF Response

The Task Force supports the development of principles or performance standards for regulatory operations. The Task Force believes that getting enforcement right is as important as getting the regulatory policy decisions right.

20. Local Government Streamlining

Safety Legislation: The ministry is preparing a legislative proposal to consolidate and standardize safety legislation from existing acts. The proposal cannot be completed for the spring session, the ministry has made considerable progress on the draft, has carried out additional consultations with affected parties, and remains committed to its completion. The enabling legislation and attendant regulations are aimed at reducing red tape and government intervention in the activities of responsible clients' eliminating inconsistencies and redundancies in safety programs; levelling the "playing filed" for businesses that attempt to meet safety regulation; and strengthening safety compliance management provisions.

BTF Response

The Task Force supports this project and the introduction of this legislation at the earliest opportunity.

21. One Stop Shopping (BC Business Connects)

A. Single Business Number Pilot Projects

The single business number (SBN) refers to the use of the federal business number to replace numerous identifiers that an estimated 400,000 BC businesses currently use to deal with government agencies in various levels of government.

The Ministry of Small Business, Tourism and Culture (SBTC) is taking the lead in co-ordinating the five provincial agencies that have committed to work towards implementation of the SBN. The five agencies include:

- The Consumer Taxation Branch (CTB)
- The Liquor Distribution Branch (LDB)
- Consumer Services Office (AG)
- Workers Compensation Board (WCB)
- Registrar of Companies (MFCR)

The CTB will use the SBN as a means of identifying business clients this year. Implementation is timed with the rollout of a new consumer tax data base and information system. The inaugural meeting between the provincial agencies and Canada customs and Revenue Agency was held in June 2000. A project charter will be completed by September 30, 2000.

B. CONSOLIDATE FORMS ACROSS GOVERNMENT

SBTC initiated and facilitated discussions with the municipal governments in the Capital Regional District that resulted in an integrated licence system for all CRD municipalities. This integrated licence system will be implemented in the year 2000.

SBTC has been working with twelve municipalities in the province that have recently agreed to use one standardized business license application form. The systems requirements are completed and a contract has been awarded to develop the on-line business licence for implementation by Fall 2000.

C. MUNICIPAL "BEST PRACTICES GUIDE"

SBTC is working with the Ministry of Municipal Affairs to identify best practices that municipalities can implement to actively support and promote business development in their communities. The result will be a *Best Practices Guide* for local governments. A project Charter will be completed by October 2, 2000.

BTF Response

The Task Force strongly urges the Ministry of Municipal Affairs to complete the Best Practices Guide as soon as possible and has asked for a report at its next meeting.

22. PLAIN LANGUAGE EXPLANATORY INFORMATION (QUALITY AND ACCESSIBILITY OF INFORMATION EXPLAINING REGULATORY REQUIREMENTS).

The Business Task Force identified a need for clear, targeted and accessible information that explains to business what's required to comply with various government regulations. The purpose of this project is to make the information government provides about regulatory requirements more understandable and accessible.

A. **BC Government Publications Index:** The index is posted on the BC government's internet home page is posted on the government home page and available at http://www.publications.gov.bc.ca/). It serves as an "electronic bookstore", offering information on 5,700 publications from all Ministries, including key business publications. The Index, developed by the Queen's Printer in conjunction with BC Communications, offers an easy search mechanism, explains where publications can be accessed, and allows many items to be ordered and paid for on-line.

As suggested by the Business Task force, the publication index's search mechanism is being expanded to include additional business-oriented words, to help businesses find the publications that are specific to their needs. In addition, Ministries are being encouraged to ensure that business publications are accessible through a variety of means (i.e. through the internet, ordering via toll-free number, ordering through the publications index, etc.)

B. **Review Government Publications related to Starting a Business:**
As part of the "plain language" review, we have identified government publications intended for people wanting to start a business. These publications (from the Ministries of Finance, Small Business, Employment and Investment, Aboriginal Affairs, Advanced Education and Women's Equality) are now being reviewed to ensure that content is easily understandable. This review will also provide an analysis of:

- the nature of the material,
- its purpose,
- how it's organized,
- how often it is updated,
- how to access it, and
- an opinion of how effective the material is.

The Ministry of Small Business, Tourism and Culture is updating its business publications as well as all supporting materials such as brochures and posters since feedback to date has been: "you have some great programs but no one knows about them." They are creating a new generic small business brochure which will summarize all ministries' small business programs. A second phase of this project will be to update the corresponding Web sites containing business start-up information.

The new publications are slated for release by the end of October, which corresponds with Small Business Week.

C. **BC GUIDE on the Internet:**
Work is underway to have the BC Guide available on the Internet. The guide is a cross-referenced index that provides a summary of services and programs offered by the government. The on-line version will have a search capacity that will make it faster and easier for business to access information about the government. The on-line version is expected to be available in December 2000.

BTF Response

The Task Force supports this project and commends the progress to date. The Task Force has asked for a report on the modifications to the Publications Index and on the review of publications intended for people wanting to start a business and looks forward to results of that review.

23. Self Regulatory Organization (SRO) Review

Self-regulatory organizations are organizations that undertake a regulatory function on behalf of government. There are currently over 50 SROs with regulatory powers conferred by or under provincial statutes, such as the Law Society of British Columbia, health professions designated under the Health Professions Act, and the Barbers' Association of British Columbia. (SROs are included in the Directory of Regulators and Tribunals at www.streamline.gov.bc.ca).

Some suggestions received by the Business Task Force on Regulatory Impact relate to the establishment and operation of SROs. However, there is no government policy framework in place to guide decisions on whether to establish an SRO or what powers should be provided. A discussion paper is being prepared for public comment.

BTF Response

The Task Force recognizes the important role played by SROs to ensure public and industry confidence in regulated professions in British Columbia, and supports the development of a policy framework to ensure that duties and powers are appropriate, effective and efficient.

24. Workers' Compensation Board Administration

The Board continues to expand the range of services it offers small businesses in British Columbia.

- Reduced premium rates for small business. The Board has reduced employer premium rates by an average of 4.9 percent annually since 1996. Over that period, the average premium rate for **small business** has been reduced from $2.29 per $100 of payroll to $1.84, a 19.7% decline.

- Reduced volatility of annual premium rates for small business. The Board's new experience rating plan, introduced in June 2000, reduces the volatility of the annual premium rates for small businesses. The plan will also result in larger premium discounts for small businesses that have a sustained history of good safety performance.

- Access to OneStop Business Registration: Since 1998, the Board has allowed new employers to register through the OneStop Business Registration (OneStop) program of the provincial and federal governments.

- "Employer Services Strategy". This initiative will deliver new and improved services to the small business community in three core assessment areas:

  Classification: The new classification system better reflects today's business by grouping employers with others who produce similar products or provide similar services, and charging competitors the same base premium rate.

  Experience Rating: The new experience rating system eliminates the long-standing problem of small businesses' premium rates moving from a maximum discount position to a maximum surcharge position (a doubling of their rate) as a result of a single claim. As well, the new experience rating system removes the previous cap on small business discounts. Previously, small businesses could only receive a maximum 16.7% discount off their base premium rate, even after many years of excellent safety records. The new plan will grant small businesses with a sustained history of good safety performance a discount of up to 50% off their base premium rate.

  Employer Service: The Employer Service Centre will enable employers to deal with a broad range of needs in a single contact with a skilled Employer Service Representative. In April 2000, the Board introduced Internet technology to allow new employers to register online. Employers can now obtain comprehensive assessment information about classification, ratemaking, and experience rating through the Internet. They can also download an experience-rating tool that allows them to project their future experience rating discount or surcharge. The Internet has also enabled the Board to launch an online application for WCB coverage as well as enabling employers to obtain clearance letters through the Internet. (Clearance letters tell small businesses whether a business, contractor, or subcontractor is registered with the WCB and paying regular premiums. This gives small businesses assurance that they will not be held responsible for someone else's WCB premiums).

- Outreach Program: The Board is preparing an outreach program to ensure small business is knowledgeable about the fundamentals of Workers Compensation insurance and collective liability provisions. This will be a significant effort on the Board's part to demystify the present scheme.

- New Small Business Branch: The Prevention division recently established a Small Business Industry Services Branch. The branch has been established to deal specifically with small business issues. This new branch will, in consultation with the small business, develop a business plan and establish the priorities of small business concerning occupational health and safety.

- Working on ways to reduce interaction and paperwork: The Board is examining options to reduce the frequency of interaction between the Board and small employers and as a result reduce the paperwork required. There are several options being considered to achieve the desired outcome.

BTF Response

The Business Community continues to have widespread concerns with various aspects of WCB administration, regulation and policy making. The Task Force will monitor this area closely, and encourages the WCB to continue its efforts to streamline administration generally.

25. EMPLOYMENT STANDARDS

The Employment Standards Branch has received $1million to attack the backlog of complaints in Vancouver, Victoria, Nanaimo, Terrace, and Prince George. Classroom training of 15 new officers took place in late April and early May, and officer began investigating complaints in the backlog on May 22nd.

With these additional resources, the Branch expects the backlog will be eliminated, Province-wide, by the end of the fiscal year. Planning will be underway in September of this year to ensure the Branch does not face a similar backlog problem in the future.

BTF Response

The Task Force is encouraged by this report from the Ministry of Labour, and looks forward to the progress reports.